



**Los Angeles County  
Board of Supervisors**

May 01, 2012

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The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**APPROVAL OF AMENDMENT TO PATIENT SATISFACTION SURVEYS  
AGREEMENT  
(ALL SUPERVISORIAL DISTRICTS)  
(3 VOTES)**

**SUBJECT**

Request approval to amend the Agreement with Press Ganey Associates Inc., to add outpatient satisfaction surveys for primary care clinics throughout the Department of Health Services, to add inpatient and rehabilitation survey services for Rancho Los Amigos National Rehabilitation Center, and delegated authority to add/delete end-users and surveys, as needed and adjust the County's maximum obligation accordingly.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Authorize the Director of Health Services Director, or his designee, to execute Amendment No. 2 to Agreement No. H-703322 with Press Ganey Associates, Inc. (PG) to :i) add outpatient survey services for all Department of Health Services (DHS) facilities/clinics where primary care services are provided, effective on Board approval, ii) add Rancho Los Amigos Rehabilitation Center (RLANRC) for the current PG Agreement for the provisions of patient satisfaction surveys for inpatient and rehabilitations services , effective July 1, 2012, and iii) increase the County's maximum obligation by \$79,363 for the new outpatient provision, and \$50,807 for RLANRC, for a revised total maximum County obligation of \$1,019,271for the entire term of the Agreement.
2. Delegate authority to the Director, or his designee, execute future

amendments to this Agreement to add or delete, patient satisfaction survey as well as DHS end-users and to adjust the County's maximum obligation accordingly, subject to review and approval by County Counsel, with notice to the Chief Executive Office and your Board.

3. Delegate authority to the Director, or his designee, to amend Agreement to increase the maximum agreement obligation by no more than 10 percent, or a total of \$101,927, in the event additional surveys are required to be mailed as a result of increased patient visits admissions and/or with notification to County Counsel, CEO, and your board.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approval of the first recommendation will allow the Director to execute Amendment No. 2, substantially similar to Exhibit I, to add outpatient survey services for all DHS facilities/clinics where primary care services are provided. This action is needed in order for DHS to comply with one of the requirements of the Section 1115 Medicaid Waiver (Waiver) and Centers for Medicare and Medicaid Services (CMS) regulations, whereby DHS is obligated to conduct inpatient and outpatient patient satisfaction surveys at all DHS' facilities.

On November 2, 2010, the California Department of Health Services (CDHS) and CMS entered into the new Waiver, commonly known as the California Bridge to Reform, for a five year period, commencing November 1, 2010. This Waiver provides the framework to federal Health Care Reform in 2014. This Waiver created the Delivery System Reform Incentive Program (DSRIP), a federal pay-for-performance quality improvement initiative that is the first of its kind in the nation in terms of its structure and scope. The DSRIP offers an unprecedented opportunity for California's 21 public hospital systems to transform care delivery to be more integrated and organized, and improve patient health outcomes. One of the requirements of the DSRIP is that all California public hospital systems must begin collecting and reporting data on the patient experience in ambulatory care.

PG has already established the IT and data connections needed for PG to work efficiently with Harbor-UCLA Medical Center (H-UCLA MC), Olive View-UCLA Medical Center (OV-UCLA MC), and LAC+USC Medical Center (LAC+USC MC) that currently use their services. PG is a proven contractor who has demonstrated expertise in providing quality services according to the mandated methodology, timely and reliable reporting, custom surveys, staff training resources and other data management tools. By adding the outpatient component to the current Agreement with PG, DHS is able to meet the outpatient survey requirements of the Waiver, accelerate the timeline along which we will gain valuable information on the state of our outpatient clinic services, and will reduce cost in IT implementation.

This recommended Amendment will add RLANRC to the current PG Agreement. RLANRC currently contracts with National Research Corporation; however, this Agreement will expire June 30, 2012. This action will provide continuity and standardization required patient satisfaction surveys services among all DHS facilities, to ensure ongoing compliance with the CMS regulations. CMS issued regulations on July 1, 2007 for the Hospital Consumer Assessment of the Healthcare Providers and System (HCAHPS) data reporting requirements. These regulations specify that Medicare and Medicaid payment rates will be reduced by 2.0 percentage points for any hospital that does not submit the required quality data. The HCAHPS provides a standardized survey instrument and data collection methodology for measuring patients' perspectives on hospital care and enables valid comparisons to be made across similar hospitals nationwide.

Under the Agreement, PG mails patient satisfaction surveys to patients after they are discharged



from the hospitals. Survey results are compiled into a variety of monthly and quarterly reports that include, but are not limited to, demographic profiles of respondents and analysis of responses by questionnaire sections. These reports provide DHS with information for improving patient care, customized reporting for compliance with the above requirements, and benchmarking information against other similar healthcare providers in the nation. In addition to meeting regulations, PG provides the data requested by the California Hospital Assessment and Reporting Taskforce which is a public report card for California hospitals.

The second recommendation will enable DHS to expand on the types of surveys that may be needed in the future, that include specialty care, ancillary, as well as other types of surveys required by contracts or grants awarded to the Department. DHS is currently revising patient satisfaction survey program for the Health Way L.A. In addition, DHS has included patient satisfaction as a component of its application under the challenge grant. If awarded, DHS will have a very compressed timeline to implement its proposal plan.

Approval of the third recommendation will enable DHS to increase the maximum obligation of the Agreement by up to 10 percent due to increased patient satisfaction volume.

#### **Implementation of Strategic Plan Goals**

The recommended actions support Goal 4, Health and Mental Health of the County's Strategic Plan.

#### **FISCAL IMPACT/FINANCING**

The total estimated cost for the addition of outpatient satisfaction surveys is: \$79,363, effective on Board approval date. The addition of RLANRC to the inpatient portion of the Agreement will be in the amount of \$ 50,807 effective July 1, 2012 through December 31, 2013.

	FY 2011-12 (2 months)	FY 2012-13	FY 2013-14 (6 months)	Total
Outpatient Clinician & Group Consumer Assessment of Healthcare Providers (CG-CAHPS)	\$7,937	\$47,617	\$23,809	\$79,363
RLANRC	\$0	\$33,870	\$16,937	\$50,807
Grand Total	\$7,937	\$81,487	\$40,746	\$130,170

Funding is included in the Department's Fiscal Year 2011-12 Final Budget, and will be funded within existing resources in future fiscal years. Any increased cost due to an increase in the number of surveys will be funded within existing resources. PG is reimbursed on a per survey basis.

#### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

On November 18, 1997, your Board authorized DHS to join the University HealthSystem Consortium (UHC) and its group purchasing program, to obtain unique services which otherwise would not be available to the County. As a member of UHC, DHS is able to access the group purchasing program service agreements and does so with prior approval from your Board.

After UHC conducted a competitive solicitation, PG was awarded a UHC agreement in October 2007 for Patient Satisfaction Measurement Services. On December 11, 2007, your Board approved an initial agreement with PG, based on a UHC competitive solicitation, for the provision of patient satisfaction survey services at H-UCLA MC, OV-UCLA MC, and LAC+USC MC effective through June 30, 2009.

As a result of a second competitive solicitation conducted by UHC, PG was selected to enter into a Patient Satisfaction Measurement Services Agreement with UHC on January 21, 2009. The PG agreement with UHC expires on December 31, 2013. PG currently provides patient satisfaction survey services to 1,249 hospitals nationwide, or 45 percent of all the facilities participating in HCAHPS.

On June 9, 2009 your Board authorized DHS to extend this Agreement with PG beyond December 31, 2013, upon mutual written agreement by the parties, if UHC continues to contract with PG beyond that date, and be co-terminous with the UHC agreement, subject to review and approval by County Counsel, CEO, and notification to your Board.

County Counsel has approved Exhibit I as to use and form.

#### **CONTRACTING PROCESS**

Not applicable.

#### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of these actions will ensure DHS' compliance with CMS and CG-CAHPS regulations.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Mitchell Katz".

Mitchell H. Katz, M.D.

Director

MHK:ev

Enclosures

c: Chief Executive Office  
County Counsel  
Executive Office, Board of Supervisors